

Headquarters U.S. Air Force

Integrity - Service - Excellence

Procurement Program for Service-Disabled Veteran-Owned Small Business (SDVOSB)



10 May 2004



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SDVOSB Overview



- Background
- Applicability, Representations & Exclusions
- Set-Asides
- Sole-Source & Clause
- Summary





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SDVOSB Background



- FAC 2001-23 Published as Interim Rule on 5 May 04
 - Effective immediately
- Implements Section 308 of Veterans Benefits Act
- Provides for Set-Aside and Sole Source Authority for Service-Disabled Veteran Owned Small Business (SDVOSB) concerns
- Provides a **discretionary** tool to improve performance towards SDVOSB goals

H11718: “The committees intend the provision to provide federal contracting officials a means to improve their results with respect to contracting with service-disabled veterans”



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SDVOSB

Applicability, Representations & Exclusions



- FAR 19.1402: Applies to all Federal Agencies
- FAR 19.1403: Provides for contractor self-representation
- FAR 19.1404: Exclusions — **Does not** apply to:
 - Requirements that can be satisfied through award to:
 - Federal Prison Industries (see FAR 8.6)
 - Javits-Wagner-O'Day Act participating non-profit agencies for the blind or severely disabled (See FAR 8.7)
 - Orders under Indefinite Delivery Contracts (see FAR 16.5)
 - Orders against Federal Supply Schedules (see FAR 8.4)
 - Requirements currently being performed by an 8(a)
 - Requirements for commissary or exchange resale items



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SDVOSB Set-Asides



- FAR 19.1405 SDVOSB Set-Asides Procedures
 - a) The Contracting Officer (CO) may set-aside acquisitions....for SDVOSBs when requirements of para b can be satisfied. The CO shall consider SDVOSB set-asides before considering SDVOSB sole source awards (see 19.1406)
 - b) To Set-Aside an Acquisition for SDVOSBs the CO must have a reasonable expectation that:
 - 1) Offers will be received from 2 or more SDVOSBs and
 - 2) Award will be made at a fair market price
 - c) If the CO receives only 1 acceptable offer
 - Make award to that SDVOSB
 - If CO receives no acceptable offers
 - Withdraw SDVOSB Set-Aside





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SDVOSB Sole Source Award and Clause



- FAR 19.1406: Sole Source Awards to SDVOSB concerns
 - a) CO **may** award contracts to SDVOSBs on a Sole Source Basis provided:
 - 1) Only one SDVOSB can satisfy the requirement;
 - 2) The anticipated price of the contract (including options) will not exceed -
 - \$5M for manufacturing
 - \$3M for any other
 - 3) The SDVOSB has been determined to be a responsible contractor
 - 4) Award can be made at a fair and reasonable price
- FAR 19.1407: Contract Clauses

The CO **shall** insert the clause 52.219-27, “Notice of Total Service-Disabled Veteran-Owned Small Business Set-Aside”

→ In solicitations and contracts using SDVOSB Set-Aside or Sole Source Authority



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SDVOSB Summary



- FAC 2001-23 effective now
- Provides for SDVOSB Set-Aside and Sole Source Authority
- Contracting Officers **may** set-aside acquisitions or award contracts to SDVOSBs on a sole source basis
- A Tool to Help Buying Activities Meet SDVOSB Goals

QUESTIONS ?